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CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

27 February 1951

TO: Chief, Estimates Staff

FROM: [REDACTED] 25X1A9a

SUBJECT: NIE-29 - Yugoslavia

1. Paragraphs 26a and 28 of the 24 February draft of NIE-29 both attribute "great flexibility" to Soviet policy should the USSR instigate a Satellite invasion of Yugoslavia. To quote paragraph 26a in part: "This course of action would from the Kremlin's point of view have the advantage of great flexibility. It would offer scope for increasing and decreasing the scale of Soviet intervention, and leaves open the possibility of calling off the Satellites or negotiating a settlement if the conflict threatened to expand into a general war."

2. It appears to me that this statement overlooks an important consideration which would tend to deter the Kremlin from a satellite invasion if the Soviet leaders foresaw a serious possibility of the necessity of calling off the satellites in order to avoid general war. This consideration is Albania, which would probably be overrun by Yugoslavia in the course of hostilities. Thus, "calling off" the satellites might well involve the sacrifice of a Soviet satellite. I believe the Korean experience has shown that the USSR views the possible loss of satellite territory as an unacceptable blow to Soviet prestige. This factor would, if anything, be more important in the case of a European satellite than in Asia. The political line in Europe is more firmly drawn than in Asia, and politically conscious Europeans on both sides of the iron curtain would readily grasp, and, in so doing, enhance the significance of the detachment of a satellite from the Soviet orbit.

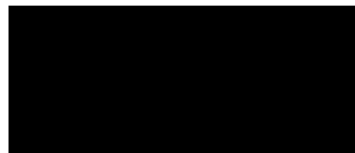
3. This situation, in my mind, definitely limits Soviet flexibility in any action against Yugoslavia and argues against any lightly considered Soviet action which could back-fire.

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4. I do not think this consideration substantially alters any conclusion of NIE-29, although it does reduce somewhat the possibility of a satellite attack. It appears to me, nevertheless, to be of sufficient importance that the Board should be informed of it prior to IAC consideration of NIE-29.

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